In the Claims

This listing of claims will replace all prior versions and listings of claims in the application:

- 1 1. (Currently Amended) A method of data distribution 2 preserving rights of a remote party comprising the steps of:
- an authorized user locally transmitting data to $\frac{1}{1}$ and $\frac{1}{1}$ receiver; and
- following said locally transmitting step, authorizing the receiver's use of the data by a trusted agent.
- 1 2. (Currently Amended) A method of data distribution 2 preserving rights of a remote party comprising the steps of:
- an authorized user locally transmitting the data to an unauthorized receiver; and
- following said locally transmitting step, the unauthorized receiver contacting a trusted authorizing agent before the full utility of the data is made available to the receiver.
- 1 3. (Currently Amended) A method of data distribution 2 preserving rights of a remote party comprising the steps of:
- $\frac{1}{2}$ the <u>a</u> sender choosing an encryption key for the <u>a</u> receiver's use;
- 5 the sender encrypting the data using the encryption key;
- the sender encrypting the encryption key using a public encryption key of a trusted agent;
- the sender locally transmitting both the encrypted data and the encrypted key to the receiver;
- following said locally transmitting step, the receiver and the trusted agent negotiating licensing and payment for the data;
- 12 <u>following said locally transmitting step</u>, the receiver 13 transmitting the encrypted key to the a trusted agent;

- 14 <u>following said locally transmitting step</u>, the trusted agent
- 15 decrypting the encryption key; and
- 16 <u>following said locally transmitting</u> step, the trusted agent
- 17 sending the decrypted encryption key to the receiver to receive the
- 18 full data.
- 1 4. (Currently Amended) The method of Claim 3 including the
- 2 further step of;
- 3 the receiver choosing a new encryption key unknown to the
- 4 sender and encrypting the data with the new encryption key.
- 1 5. (Currently Amended) A method of data distribution
- 2 preserving rights of a remote party comprising the steps of:
- 3 the a receiver negotiating licensing and payment with a
- 4 trusted agent;
- the trusted agent transmitting a ticket to a receiver;
- 6 the a sender interrogating the receiver to determine if the
- 7 ticket is valid and halts if not;
- 8 <u>if the ticket is valid,</u> the sender <u>locally</u> transmitting the
- 9 un-encrypted data to the receiver.
- 1 6. (Currently Amended) The method of Claim 5 including the
- 2 step of:
- 3 the receiver chooses a key and encrypts the data.
- 1 7. (New) The method of Claim 1, wherein:
- 2 said step of locally transmitting data includes directly
- 3 connecting an apparatus of the authorized user to an apparatus of
- 4 the receiver.

- 1 8. (New) The method of Claim 1, wherein:
- 2 said step of locally transmitting data includes employing a
- 3 local connection having a first bandwidth; and
- 4 said step of authorizing includes employing a network having a
- 5 second bandwidth less than said first bandwidth.
- 1 9. (New) The method of Claim 2, wherein:
- 2 said step of locally transmitting data includes directly
- 3 connecting an apparatus of the authorized user to an apparatus of
- 4 the unauthorized receiver.
- 1 10. (New) The method of Claim 2, wherein:
- 2 said step of locally transmitting data includes employing a
- 3 local connection having a first bandwidth; and
- 4 said step of contacting the trusted authorizing agent includes
- 5 employing a network having a second bandwidth less than said first
- 6 bandwidth.
- 1 11. (New) The method of Claim 2, further comprising the steps
- 2 of:
- 3 employing the data at the unauthorized receiver with reduced
- 4 utility following said step of locally transmitting the data and
- 5 before said step of contacting the trusted authorizing agent; and
- 6 employing the data at the unauthorized receiver with full
- 7 utility following said step of locally transmitting the data and
- 8 said step of contacting the trusted authorizing agent.
- 1 12. (New) The method of Claim 11, wherein:
- 2 the data is musical data; and
- 3 said step of employing the data with reduced utility includes
- 4 playing the musical data with reduced audio quality.

- 1 13. (New) The method of Claim 3, wherein:
- said step of locally transmitting both the encrypted data and
- 3 the encrypted key includes directly connecting an apparatus of the
- 4 sender to an apparatus of the receiver.
- 1 14. (New) The method of Claim 3, wherein:
- 2 said step of locally transmitting both the encrypted data and
- 3 the encrypted key includes employing a local connection having a
- 4 first bandwidth; and
- 5 said steps the receiver transmitting the encrypted key to the
- 6 trusted agent and the trusted agent sending the decrypted
- 7 encryption key to the receiver both include employing a network
- 8 having a second bandwidth less than said first bandwidth.
- 1 15. (New) The method of Claim 5, wherein:
- said steps of the sender interrogating the receiver and the
- 3 sender transmitting un-encrypted data to the receiver both include
- 4 directly connecting an apparatus of the sender to an apparatus of
- 5 the receiver.
- 1 16. (New) The method of Claim 5, wherein:
- 2 said steps of the sender interrogating the receiver and the
- 3 sender transmitting un-encrypted data to the receiver both include
- 4 employing a local connection having a first bandwidth; and
- 5 said steps of the receiver negotiating licensing and payment
- 6 with the trusted agent and the trusted agent transmitting a ticket
- 7 to the receiver both include employing a network having a second
- 8 bandwidth less than said first bandwidth.
- 1 17. (New) The method of Claim 5, wherein:
- 2 said steps of the receiver negotiating licensing and payment
- 3 with the trusted agent and the trusted agent transmitting a ticket

- 4 to the receiver occur simultaneously for a plurality of tickets;
- 5 and
- 6 said steps of the sender interrogating the receiver and the
- 7 sender locally transmitting the un-encrypted data to the receiver
- 8 occur for a single ticket and corresponding data at a time.